Subsidy to agriculture sector

310. SHRI C. PERUMAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether developed countries provide adequate subsidy to agriculture sector in their countries compared to India and other developing countries;

(b) whether any proposal has been mooted to provide comparable subsidy to agriculture sector with a view to making it globally competitive;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) Most of the developed countries provide very high levels of support (both domestic and on exports) to their agriculture sector which distort trade in agricultural commodities and to a large extent make agricultural products from developing countries uncompetitive in the international market. For instance, as per the latest notifications submitted by the USA and the EC to the World Trade Organization (WTO), the amount of domestic support provided by them was around US$ 72 billion and US$ 76 billion respectively as compared to support level of around US$ 9 billion by India and around US$ 3 billion by Brazil.

(b) to (d) No such proposal has been mooted. However, to make the agriculture globally competitive in the developing countries, including India, the following steps have been taken for the purpose of WTO negotiations:

(i) India alongwith like-minded/developing countires has sought elimination of all forms of export subsidies by a credible end-date, and substantial reduction in all forms of trade distorting support provided by the developed countries to their agriculture sector. In order to harmonize the levels of trade-distorting domestic support permitted to be extended to their agriculture sector by various Members, substantial reductions in such domestic support will be achieved through a tiered formula under which Members with higher levels of domestic support will reduce their support by a larger amount than those with a lower level of support.

(ii) The G-20, of which India is a Member, has also demanded that developing countries that allocate almost all *de minimis* support to subsistence and resource poor farmers should not be required to reduce the same as agreed to by Members in the Framework Agreement of July, 2004.

Recommendations of NCF

311. SHRIMATI BRINDA KARAT: Will the Minister of AGRICULTURE be pleased to state:

(a) the major recommendations made by national Commission on Farmers headed by Dr. M.S. Swaminathan; and

(b) the steps taken by Government to implement the recommendations?

THE MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) and (b) The First Interim Report of the National Commission on Farmers covers a wide range of recommendations dealing with integrated life saving support programme for farm families facing acute distress, productivity and livelihood enhancement in rainfed areas, a new deal for women in agriculture, strengthening and expanding the horticulture revolution, enhancing productivity, quality and global competitiveness of cotton, sustaining and expanding trade of farm commodities and its sanitary and phytosanitary dimensions, village as knowledge centre and food and nutrition security of livestock and livelihoods. The Report also covers rehabilitation and alleviation of fishermen and farm families from distress due to Tsunami, empowerment of community based organizations and Panchayati Raj institutions and administrative initiatives like creation of a Gram Panchayat Mahila Fund for women.

The Second Interim Report of the Commission submitted recently to the Government *inter-alia* deals with food for all, fish for all, enhancing productivity, profitability, stability and sustainability of hill and arid agro ecosystems, coastal zone agriculture, mission for the prosperity of sugarcane farmers, conservation, cultivation and marketing of medicinal plants, organic farming, bio-fuels and agricultural market reforms..

The consultation process has begun for firming up the Government's decision in the matter.